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spotlight europe # 2009/04 – April 2009 Europe's Bold New Story

Joachim Fritz-Vannahme

Bertelsmann Stiftung, joachim.vannahme@bertelsmann-stiftung.de

Since the fall of the Berlin Wall Europe has been restructured to form a new and united entity. During this period the policymaking of the European Union was characterized by enlargement and deepening. However, enlargement has now passed its peak, and deepening, which was supposed to have come about by reforming the EU treaties, has still not materialized. The EU needs some new guidelines.

The old basic concepts of enlargement and deepening have had their day. They are of little or no use when it comes to meeting the challenges of a globalized world, which from April 2009 onwards will be symbolized by the G 20 structure. This amounts to a new form of multilateralism which may not lead to unanimity, but at least to a candid exchange of views about how to deal with the problems of globalization.

The old concepts were useful in the context of an enlarged Europe that was supposed to become a united continent of peace and freedom. In other words, they were very sensibly designed for domestic consumption.

Today other problems are waiting to be solved. If the European Union wishes to

respond to the global challenges, it badly needs sustainable basic concepts and a new story line. Timothy Garton Ash, the British political scientist, has pointed this out on several occasions recently. For example, at the beginning of the German EU Presidency in 2007 he wrote an article in "The Guardian" entitled "Today's European Union is 27 states in search of a story."

In fact what Garton Ash seems to think is lacking has actually been around for a long time, and this is the basic contention of the present Spotlight Europe. A new and successful story line has indeed emerged, though EU politicians and EU citizens often seem incapable of understanding what is happening before their very own eyes.

Solidarity and Self-Assertion

The new basic concepts are solidarity and self-assertion. Thus the need for European self-assertion emanates from what has been said above. Yet why is it necessary to establish a close link between this word and the concept of solidarity? Because self-assertion cannot come about on its own. If this is its goal, Europe will have to do something to attain it. It will have to keep regenerating its strength in everyday political life by demonstrating that its actions are based on the notion of solidarity.

The core concern and the core idea of the EU is solidarity, and in a convoluted way it has been a constant feature ever since the birth of the European Economic Community in 1957. This is how one should construe the European Social Fund, which was set up at the time, not to mention the Common Agricultural Policy, which for a long time overshadowed everything else. Its stated task was to ensure that farmers received an adequate income. The communitarization of this policy area was simply founded on the idea of solidarity, and reguired all those involved to demonstrate it in practical terms. The euro is another example of real and not merely emotional solidarity, since it imposes the same set of rules and regulations on all of the participants and at the same time makes it clear to each of them that they are responsible for making the venture a success.

"The EU is preparing itself for a multi-polar age."

Such tools and institutions create solidarity on a daily basis, and in the event of a crisis or a conflict can actually enforce it. Thus in this context the word does not signify a mere feeling of sympathy, but the insight dictated by self-interest that in the EU the supreme injunction is motto of the Three Musketeers: "One for all, and all for

one." Whoever transgresses against this rule weakens both himself and the whole community. Any attempt to emasculate the solidarity of the group is bound to undermine the prospects for personal or joint self-assertion.

In this context there is a logical political sequence which determines the only sensible and promising way in which Europe can act in the global arena. The Union needs to find suitable tools and establish institutions capable of creating and sustaining the degree of solidarity internally which will facilitate and stabilize its self-assertion externally.

Perhaps a comparison with other actors in the global arena may be useful at this juncture, as it were a mirror image of the European profile. In China, in Russia and even in the United States self-assertion is based on different patterns which are often of a national kind, and not infrequently nationalistic. Someone like President Medvedev is not going to ask the governors of the Russian federal subjects in the Far East or on the Volga to tell him what they think before he formulates his policy towards Washington. Someone like Barack Obama is not going to call Governor Schwarzenegger before he sets off for the NATO summit. And Chairman Hu Jintao does not have to wait for feedback from the hierarchies in the provinces of Yunnan or Szechuan before he defines his foreign policy.

This centralistic method of decision-making is often taken to be a sign of strength, whereas Europeans who are dependent on the outcome of a particular vote are often accused of weakness. Henry Kissinger once quipped "If I want to call Europe, who do I call?" There are good reasons why he no longer says things of this kind, though irate European citizens, politicians and commentators still like to quote him on the subject. However, the laborious and inelegant process of ongoing coordination among the 27 partners may well be the best preparation for the dis-

putes which will perhaps be conducted on the global stage in a multi-polar age. A new world order worthy of the name will be established with the help of rules which already form the basis of the EU: multilateralism, pooled and yet divided sovereignty, common rules and norms, a politically delimited market, respect for others. Conversely it would also be true to say that if global disorder were to materialize, no actor would be as profoundly affected as the EU, since it will become apparent that its philosophy is actually incapable of dealing with the challenges of globalization.

П

A Voice for the EU

Today Europeans who wish to assert themselves can no longer afford never-ending disputes or a visible lack of solidarity, nor lengthy periods of inactivity designed to facilitate the alignment of common positions. In the global context a united Europe needs willing and determined actors in its various capitals and effective common procedures and institutions at the centre of the community in Brussels in order to deal with these issues.

Does the EU have sufficient tools and resources with which to assert itself in a complex and globalized world made up of co-players and civilizations? many Whereas the majority of commentators will reply that the answer is definitely "No," we believe that the opposite is true. At this point we are not going to insist on the need for a European Minister for Foreign Affairs, who may not be allowed to use that title in the Treaty of Lisbon, but in practice, if the treaty is actually ratified, will perform that function.

No, we shall start by looking at the Doha Development Round. Pascal Lamy, the head of the WTO, has confirmed reports that, despite the current stalemate, agreement has been reached on 80 per cent of all the contentious issues. The last meet-

ing came to nothing as a result of an Indian and American veto, but the outcome of the next set of negotiations could well be more positive now that there is a new administration in Washington.

At these meetings the EU Commissioner for Trade negotiates on behalf of the Europeans. In Paris and elsewhere there has been some criticism of his actions. But the procedure has remained in place, and the EU speaks with one voice. Washington, Delhi and Cairo know exactly which number they have to call.

If the EU can manage to display such unanimity when it comes to trade issues, why does it find it impossible to do so elsewhere? For example, Horst Köhler, the former president of the International Monetary Fund and current German President, in a speech he gave in Berlin in March 2009, called on the Europeans "to bundle their interests in the IMF and World Bank by opting for a single seat." And if the Europeans were to bundle their resources by opting for a single seat and one voice in this context, then why not do the same in the United Nations, when it comes down to it? Some people will point out that this is not on the agenda and would not be in the interests of the European nuclear powers, France and the United Kingdom. This may well be the case, but only if we continue to look at the world in terms of the concepts and dimensions which applied in 1945.

Why, more than six decades after its foundation in the shadow of late colonialism and the nascent Cold War, should the United Nations still adhere to agreements that stem from a distant and now unfamiliar past, rules which at the time were adopted by 51 nations and are now observed by 192? The ethical dimension of the approaching global society will have to be part and parcel of the new rules. Furthermore, the Europeans would profit internally (solidarity!) and externally (self-assertion) if they themselves were to introduce and promote the transition to this new code of conduct.

European Power Politics

The kind of solidarity that translates externally into self-assertion stands on remarkably solid foundations, even though many people in Europe are still not aware of the fact. Case study number one. The European Court of Justice in Luxembourg.

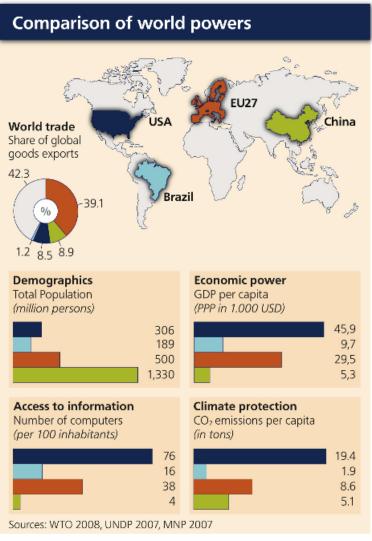
as a result of a case brought bv the EU Commission, slapped fines amounting to almost €0.5 billion on Microsoft, the U.S. software corporation, on account of its anticompetitive behaviour in Europe. Whilst Microsoft is still disputing the size of fines, it explicitly recognizes the European jurisdiction. In the largest internal market in the world it simply does not wish to exacerbate the situation.

2001 the European Commission refused to give its assent to the merger of General Electric and Honeywell Bull, which had already received regulatory approval in the U.S., citing the danger of market dominance and an unwelcome concentration of power. In other words, a European institution decided prevent two American corporations implementing a strategic

decision, and got its way. Is the EU really as powerless as some people think it is?

Let us look at another example. The European Neighbourhood Policy is available to all the partners of the EU who agree to adopt a set of policymaking rules drawn up in Brussels. The aim is to establish a "ring of friends and stable states," which

is of course far more acceptable as far as Europe's security and self-assertion are concerned than a string of crises and conflicts. Countries ranging from Morocco to Egypt and from Israel to Azerbaijan are offered preferential treatment in the shape of market access or modernization assistance, and in return the contractual partners are required to introduce reforms relating to human rights and the rule of law.

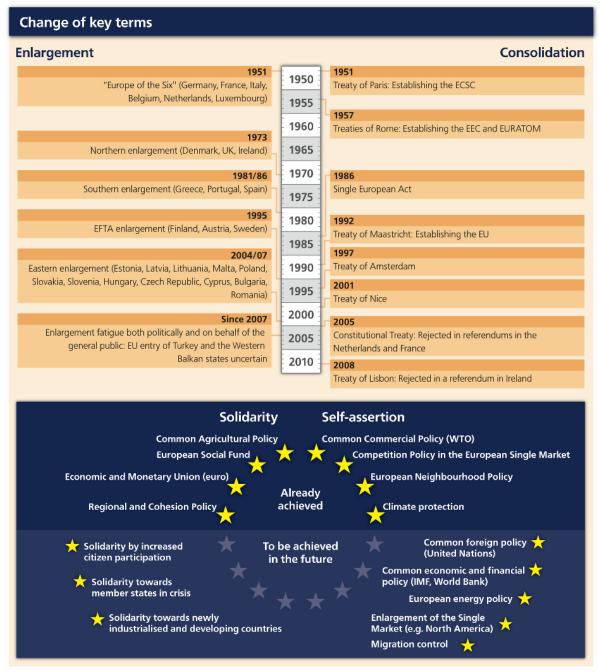


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This is power politics, even though the Europeans would immediately add that they are going about it in a peaceful and reasonable manner, and in the fairest possible way. Even if they have no intention of ever joining the EU, ENP partners end up by adopting quite a few of the norms and procedures which were developed

within the EU in the course of its history, have been tried and tested, and have become part of the everyday fabric of solidarity.

the EU is most influential, or, to put it more bluntly, most powerful in its immediate neighbourhood. With its policies on trade and foreign trade issues it has been



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For this reason the French political scientist Zaki Laidi has appropriately described the EU as "a normative empire," which has taken to protecting global public goods such as the environment, resources, and children (for example, by enforcing the ban on child labour). Of course in this way

setting global standards for quite a long time, as the Oxford political scientist Jan Zielonka has pointed out. The international climate change debate as exemplified by the Kyoto process has to an important extent been shaped by European standards and goals. Zielonka calls this "empire by

example." The EU in so many words is an "empire which sets a good example."

There is justified criticism within the EU of the fact that there is a great deal of rhetoric, but that very little actually gets done. However, there can be no doubt about the EU's declared intention that it wishes to shape the world of tomorrow in certain specific ways. Garton Ash is also beginning to speak of a "silent empire," even if he still cannot decipher its story line. Significantly the agreements reached at the G 20 summit in London on how to facilitate the restructuring of the international banking, financial and indeed economic world were to a large extent based on (Continental) European proposals and demands.

IV

A Global Social Market Economy

The European Union is an empire. On the whole it is a purely civilian one, but when it decides to act on a military level in countries ranging from Haiti and the DR Congo to Kosovo, the goal is not belligerent confrontation, triumphalism or territorial acquisitions, but quite explicitly the pacification of smouldering or open conflicts. The EU is an empire without colonies, and a military power with peaceful intentions and civil policies.

The word may come as a surprise or even shock to some Europeans, for after all European rulers and nations projected their imperial power throughout the world for centuries. Today no one is compelled to align his or her policies or economy with the new Europe. But a growing number of countries in all parts of the world have recognized the advantages of the European way of defining norms, and have indeed used it as a model. The Gulf states are working on a common currency similar to the euro. In Latin America Mercosur has for a long time-though unfortunately with

little success-been trying to establish an internal market based on the European experience.

And the members of Asean are beginning to understand that historical hatred can be overcome more easily by engaging in forward-looking cooperation. People have actually been imitating Europe for quite a while.

"Good chances for a global social market economy."

For how long can the model character of the EU continue to be influential in the immediate future? In the Treaty of Lisbon the 27 EU partners reached agreement on the basic principles of the social market economy. As a result of the global crisis, which is sucking into its vortex not only the economy, but also values as such, their time now seems to have come. The proponents of an "unadulterated" market economy based on the unregulated exploitation of resources, and even of human beings, are now on the defensive. To be sure, there have always been disputes within the EU about the exact extent and meaning of the social market economy, in particular after enlargement in 2004. This will continue to be the case. As co-authors of this economic and social order the Germans should show some restraint, for in the past decade the Scandinavians, for example, have demonstrated that a social market economy needs to be renewed if it wishes to retain its reputation and its effectiveness.

Yet at the same time the chances for a global social market economy have never been better. However, Europeans should try to avoid carrying the good tidings out into the world in the manner of missionaries. We know all about that, people will retort in an irritable way and close their minds to the subject. Moscow is already making a point of demonstratively rejecting so-called Western and European values. And China continues to cling to its own traditions.

The Europeans need to be patient, and should continue to try to make their case. In the long run India, Russia and China will need a social market economy if they wish to protect whole societies from being wrecked by a successful few. When they proceed to implement social reforms, these rising and ambitious nations will not take their bearings only from the European model, but they will all try to learn from it. This brings us to the most momentous and underestimated challenge of globalization as far as Europe is concerned, the rise of the rest of the world, which the American author Fareed Zakaria has simply dubbed "The Rise of the Rest." In future neither Europe nor the Transatlantic tandem will determine what happens in the world without reference to anyone else.

V

The New World Order

The Eurocentric world is now at long last a thing of the past, and so is the Transatlantic predominance of the West. The circle of actors has grown rapidly and continues to expand. Japan has been a member for a long time, as has South Korea, which was followed by the BRIC states, Brazil, Russia, India and China. But it also includes Indonesia, Mexico, South Africa, and the Gulf states. At the beginning of April, when the G20 states met in London for their crisis summit, the formal arrangement in itself signified a departure from the world of the past, and perhaps provided a formula for the world as it is today.

"The Rise of the Rest" will not only lead to new kinds of interaction and new hierarchies on a geographical or political level. In so many words it means that the Europeans will have to adopt a new mindset. In his Berlin speech German President Horst Köhler made the point that up here in the north we will have to change our attitudes. He was alluding not only to the issue of justice and the unequal distribution of the available resources. Köhler referred to the "global social issue" and the question of

the ethical stance of the world community. What he had to say could in fact become the basic legal framework of Europe's global policy as it interacts with the newcomers, some of whom can look back on a history reaching back several thousand years. "In future," Köhler remarked, "we want to treat others in the same way that we ourselves wish to be treated." Enshrined in the hearts of its citizens, this vision statement formed the core of the European success story.

Mutual respect helped the original EEC community of six to become today's Union of 27 and more members. Respect led to common rules and growing strength. The EU has long since become an important global player in political terms. It is the largest trading bloc and the largest donor of development assistance. For the time being the euro is the world's second reserve currency. And on four continents the EU is helping to resolve crises and conflicts.

Admittedly the set of political tools the EU needs for its new global role is still in the process of being forged. Europe's selfimage and strategic thinking have not caught up with recent developments. In contrast to the United States, China, India or Russia, its world does not begin somewhere quite a long way away, but on its own doorstep. Thus in its dealings with neighbours from Morocco to Azerbaijan Europe must assert itself and demonstrate that in the 21st century the form and substance of its global policymaking have finally broken with the European policy of expansion which was prevalent in earlier centuries.

After decades of much-needed and successful restructuring Europe must in future set its sights on the world as a whole. A fitting story line has been found. It is driven by the notion of solidarity and self-assertion, and this makes it possible to look in an unprejudiced way at a world which may well end up by being improved and restructured partly on the basis of European experiences.

Kosovo and the EU

For Further Reading:

Zaki Laidi: La norme sans la force. L'énigme de la puissance européenne. Presses de la Fondation Nationale des Sciences Politiques. Paris 2008

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Responsible

Bertelsmann Stiftung Carl Bertelsmann Straße 256 D-33311 Gütersloh www.bertelsmann-stiftung.de

Dr. Dominik Hierlemann dominik.hierlemann@bertelsmann-stiftung.de Telefon +49 5241 81 81537

Joachim Fritz-Vannahme joachim.vannahme@bertelsmann-stiftung.de Telefon +49 5241 81 81421

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